

<https://www.financial-planning.com/news/how-advisors-help-clients-plan-for-this-wedding-season>

How advisors help clients plan for pricey wedding tabs

By Rob Burgess

August 29, 2024, 4:36 p.m. EDT

With summer ending and fall just around the corner, we're entering what is traditionally the peak wedding season.

This means it's a good time for financial advisors to sit down with clients who might have short- or long-term plans to fund their families' upcoming nuptials.

Even a modest ceremony can cost thousands, with the price tag for destination weddings easily crossing into five-digit figures and higher. A recent study by dress retailer JJ's House analyzed wedding-related costs in U.S. cities to determine the most affordable cities for weddings with 150 to 200 guests. It found Kansas City to be the most budget-friendly city for weddings, with an average total cost of \$16,204 per celebration. Weatherford, Texas follows closely with an average total cost of \$17,165.

Donald LaGrange, a wealth advisor with Murphy & Sylvest in Dallas, said conversations about wedding planning for clients' children are integrated into his firm's plans.

"This is an area where cultural sensitivity is important, whether it be religious, ethnic, geographical or familial," he said. "I find it best to keep the conversation open-ended and allow the client to guide it. I will typically prompt with, 'What are your thoughts on your children's weddings?'"

Prioritize wants, needs and wishes

Jeff Farrar, chief operating officer and managing director at Procyon Partners in Shelton, Connecticut, said that when planning with clients, he prioritizes needs, wants and wishes — in that order.

"Weddings typically fall behind [clients'] own retirement and paying for kids' college as goals," he said. "Important, but down a step."

David W. Demming, founder and president of Demming Financial Services in Aurora, Ohio, said family wedding expenses are an expected part of most clients' lives.

"We discuss emerging expenses like weddings of children annually to plan for their payment," he said. "This would be a reason to have a higher balance in our short-term cash alternatives versus other higher-yielding assets."

LaGrange said the mechanics of preparing for the expense of a child's wedding vary, but normally include elements of cash flow analysis, tax planning and gift

management as well as a prioritization relative to other goals.

"What if the oldest is getting married, while the next child is in college?" he said.

Have a clear idea of how much and what for

Deon Strickland, an advisor representative with Scholar Financial Advising in Concord, North Carolina, said he frequently advises clients who aim to help pay for a child's wedding. Unlike many other goals, when he asks clients about the specific amount they plan to spend, "You do get the sense that the wedding goal is based on casual observation rather than extensive research."

"I will admit that I myself fell victim to casual observation when my daughter married in the spring of 2023," Strickland said. "I had a budget in mind, and we exceeded that number by 35%. I think the problem did not lie with choices but with my and my daughter's wedding cost naivete. I recommend clients use publicly available resources to make a more honest and informed forecast of wedding costs. The days of the \$5,000 wedding band are long gone."

Farrar said he's had clients plan and budget for a \$100,000 wedding, "although a partial contribution is more typical." He said he often recommends that clients decide what they can afford and present it to the bride and groom as a lump sum, which the pair can then allocate as they wish. Sometimes that extends to giving \$25,000 to the couple to use on either a wedding or a down payment on a first house.

"That way they can direct the funds to what they think is most important," he said. "It limits the client's exposure to a level they are comfortable with."